

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

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RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees G Hawker, Chair (appointed 27 July 2022)
 B Bezdel
 M Grant
 T Slyce
 P Whiteside
 M Gentry
 M Wallace

**Company registered
number** 03209287

**Charity registered
number** 1057291

Registered office 12a Bridge Close
 Romford
 RM7 0AU

Chief executive officer Caroline Hattersley (appointed July 2022)
 Pamela Forsyth (retired July 2022)

Independent examiners Larking Gowen LLP
 Chartered Accountants
 1 Claydon Business Park
 Great Blakenham
 Ipswich
 IP6 0NL

Bankers NatWest Bank Plc
 Hornchurch
 RM12 4UL

 Charities Aid Foundation
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent
 ME19 4JQ

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of Relate North East London Limited for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purpose of both a Trustees' Report and a Directors Report under Company Law. The trustees confirm that the Annual Report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, Governance and Management

The charity is constituted as a company limited by guarantee, incorporated on 7 June 1996 and registered as a charity on 2nd August 1996 and is therefore governed by a Memorandum and Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of the Management Committee

The Directors of the Company are also charity trustees for the purposes of Charity Law and under the company's Articles are known as Members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Managing Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. The Management committee has the power to appoint additional trustees as it considers fit. The committee meets regularly to review and give direction to the running of the Charity, in order to retain this mix, trustees are asked to provide a list of their skills (updated every year). Should any of these skills be lost due to retirement or similar we can ensure that individuals who have the appropriate skill set are approached to offer themselves for election onto the management committee.

Trustee Induction and Training

New trustees have a series of meetings with the senior officers of the charity and the Chair of Trustees which cover:

- Obligations of the management committee members
- The main documents which set out the management framework for the charity, including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Trustees are also encouraged to access the online induction training which is available on the Relate intranet, and trustees are invited to attend ad hoc training events which occur throughout the year.

Trustees Indemnity Insurance

Insurance includes trustee indemnity insurance, which provides against third party claims arising from breach of professional duty by any reason of neglect, error or omission committed in good faith by any of the paid advisors or volunteers.

RELATE NORTH EAST LONDON LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Risk Management

A risk register was established in 2008 and continues to be updated quarterly. Where appropriate, systems have been established to mitigate the risks which the charity faces. Significant external risks to funding highlighted in the original risk review led to the development of a strategic plan which allows for the diversification of funding and activities, internal control risks are minimized by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety, and we have engaged a specific Health and Safety Information provider, Peninsula, to help us with this. For a monthly fee they provide all health and safety information, guidelines and help with issues. To comply with requirements for continued BACP accreditation and the Mediation Quality Mark procedures are periodically reviewed and changes made where necessary.

Objects of the charity, principal activities and organisation of our work

The key objectives of the charity are:

- To educate the public concerning the nature of relationships with particular reference to emotional, physical and sexual relationships and with a view to developing personal responsibilities and enriching family life
- To promote research into all aspects of relationships and to publish the results
- To safeguard and protect the good health both mental and physical of adults and children and to prevent poverty, hardship and distress caused by the break-up of relationships

To this end the charity provides counselling, education and training, and family mediation services. The charity is affiliated to Relate National which provides services and advice to charities following their national strategy in relation to counselling, training and mediation. The family mediation service is affiliated to the College of Mediators, who are members of the Family Mediation Council.

Financial Review

The period covering this year represented a time of change for the organisation as our CEO of over 20 years retired and a new CEO was appointed. Alongside this our Chair stepped down in July and a new chair was appointed from within the trustee body.

We have managed to stabilise our mix of both online and face to face provision to a mix of around 50% face to face and 50% online though the exact ratio varies, we are led by client need in regard to how we offer counselling and mediation services.

We finished the year with a deficit, but this was not entirely unexpected and we were aware that this was likely in the second half of the year. A number of factors contributed, for example, the DWP funding ended in the summer and no replacement was forthcoming, alongside the very difficult external climate with regard to rising costs and more people unable to afford to commit to counselling services. We are working to secure additional funding that will enable us to support more people to access counselling services regardless of their ability to afford the service. We continue to offer the legal aid contract for Mediation services, though the rate we receive for this has remained the same since 2004 and is barely covering the real costs at the moment, but we are aware of more and more mediation services ending their legal aid contracts so we feel strongly that we want to retain this aspect of our work. We are working with a consortium of other charities to lobby the government for an increase to the rate, though this will take time to achieve.

During the Pandemic we received funding from Essex County Council which allowed us to see up to 15 clients a week, who were having relationship difficulties within their family group however the rate we received was not covering the costs of the service, and we will not be seeking to renew this funding in 23/24 as we will be focusing on the principle of full cost recovery in our future fundraising.

RELATE NORTH EAST LONDON LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Numbers of clients for counselling this year:

Period: 1st April 2022 – 31st March 2023

We provided support for 1,909 people
We offered 8,344 sessions, comprising:

Assessments:	669	
Family Counselling :	585	
PST:	867	
Counselling for young people:	568	
Relationship Counselling:		5,655

Number of clients for mediation in this year:

Period - 1st April 2022 – 31st March 2023

We provided support for 655 people for MIAMS:

Private:	449
Legal Aid:	206

We conducted 174 mediation cases:

Private Cases: 94

Child Only:	31 cases
Property & Finance:	36 cases
All Issues:	27 cases

Legal Aid Cases: 80

Child Only:	45 cases
Property & Finance:	13 cases
All Issues:	22 cases

Number of children involved in Mediation: 689

Number of children involved in Child Inclusive Mediation: 11

RELATE NORTH EAST LONDON LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Future Developments

Our main objective for 2023-2024 is to address the income shortfall and to diversify the way the organisation is funded, through fundraising, developing new offers and exploring training and corporate offers. We will also with moving our Head Office to more suitable premises within Romford. We are also looking to find some new ways of increasing our workforce to enable us to meet the needs of clients and we will be overhauling our web and digital presence during the year.

Public Benefit

In keeping with changing legislative requirements, we have been reviewing our service in the light of the public benefit we offer as a charity. We feel that the work we offer provides families and couples with a haven in which to make some of the most important decisions in their lives, both for themselves and their children.

Taking the route offered through Relate Counselling and Mediation, clients are able to work through their issues in a dignified manner without the stresses of outside interventions by family, friends or lawyers, however well meaning. Our Mediation service provides a practical way of divorcing or separating whilst encouraging parents to cooperate with each other, rather than in an adversarial manner often found when solicitors are used. We particularly stress the impact on the entire family if this is not handled in a way that puts the child in the centre. We offer cost effective, helpful ways of working together with an ex- partner to ensure the family, in whatever new grouping, stays together.

Parents who reach the conclusion that they are going to separate through the help of their Relate counsellor are better prepared for the changes that will happen in their family. Those who decide to stay together are far more aware of the impact of good communications within the family, and usually become a stronger family unit, much less likely to have problems as their children move through the turbulent teenage years. Our support for children aged 5 – 11 means that fewer children are excluded from school, and children who attend our services are far less disruptive in school, thus enabling other children to progress. Also, much research shows that addressing potential mental health issues at a very young age avoids further interventions later, particularly around the teenage years. Moving on to our youth work for young people aged 11-19, we know that there are enormous public benefits from the work, mainly in developing social responsibility, lessening of antisocial behaviour, high achievement levels, lessening of risky sexual behaviour, and improved mental health levels, in particular around anxiety, bullying and eating disorders

RELATE NORTH EAST LONDON LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

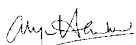
Transactions and financial position

The Statement of Activities show an income of £845,605 for the year. This year the charity reported a deficit of £127,277 (2022 – surplus of £7,448). Direct expenditure was 46.3% (2022 - 50.1%) of the charity's total expenditure.

Reserves Policy

The Management Committee has examined the charity's requirement for reserves in the light of the main risks in the organisation. The charity has established a policy of holding a minimum of three months costs, with an aim of increasing this to six months costs. As at 31st March 2023 the charity had free reserves, excluding designated funds, of £275,253 which represents 3 months running costs.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
G Hawker

Chair and Trustee

Date: 13th November 2023

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

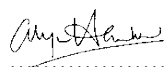
The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



.....
G Hawker

Chair and Trustee

Date: 13th November 2023

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Independent Examiner's Report to the Trustees of Relate North East London Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants for England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

RELATE NORTH EAST LONDON LIMITED
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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Dated: 28/11/2023

Giles Kerkham FCA DChA

Larking Gowen LLP
Chartered Accountants
Ipswich

RELATE NORTH EAST LONDON LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Charitable activities	3	829,057	8,848	837,905	920,223
Other trading activities	4	1,665	-	1,665	-
Investments	5	6,035	-	6,035	4,962
Total income		836,757	8,848	845,605	925,185
Expenditure on:					
Trading activities	6	(156)	-	(156)	(1,303)
Charitable activities	7	946,904	18,445	965,349	931,964
Total expenditure		946,748	18,445	965,193	930,661
Net expenditure before net (losses)/gains on investments		(109,991)	(9,597)	(119,588)	(5,476)
Net (losses)/gains on investments	12	(7,689)	-	(7,689)	12,924
Net movement in funds		(117,680)	(9,597)	(127,277)	7,448
Reconciliation of funds:					
Total funds brought forward		911,807	10,179	921,986	914,538
Net movement in funds		(117,680)	(9,597)	(127,277)	7,448
Total funds carried forward		794,127	582	794,709	921,986

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 30 form part of these financial statements.

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03209287

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	518,874	521,436
Investments	12	195,514	203,203
		714,388	724,639
Current assets			
Debtors	13	28,533	22,455
Cash at bank and in hand		117,729	236,485
		146,262	258,940
Creditors: amounts falling due within one year	14	(65,941)	(61,593)
Net current assets		80,321	197,347
Total net assets		794,709	921,986
Charity funds			
Restricted funds	15	582	10,179
Unrestricted funds	15	794,127	911,807
Total funds		794,709	921,986

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03209287

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
G Hawker

Chair and Trustee

Date: 13th November 2023

The notes on pages 14 to 30 form part of these financial statements.

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	17	(121,210)	(2,775)
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,581)	(2,255)
Purchase of investments		-	(40,000)
Interest income		6,035	4,962
Net cash provided by/(used in) investing activities		2,454	(37,293)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year	19	(118,756)	(40,068)
Cash and cash equivalents at the beginning of the year	19	236,485	276,553
Cash and cash equivalents at the end of the year	18	117,729	236,485

The notes on pages 14 to 30 form part of these financial statements

RELATE NORTH EAST LONDON LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Relate North East London Limited is a company limited by guarantee incorporated in England and Wales, registration number 03209287. The registered office is 12a Bridge Close, Romford, RM7 0AU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Relate North East London Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2.3 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charities ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant. Interest receivable is included when receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of income from other activities comprise the costs associated with attracting voluntary income. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with organisational administration and compliance with constitutional and statutory requirements.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Taxation

No provision for taxation is included in the financial statements as the charitable company is entitled to exemption from tax afforded by Section 505 of the Income and Corporation Taxes Act 1988.

2.8 Tangible fixed assets and depreciation

Expenditure on machinery, fixtures, fittings and equipment, and donated goods which exceeds £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

No depreciation is provided on freehold buildings based on anticipated value on resale. The properties are reviewed annually for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	-	25% of net book value
Computer equipment	-	25% of net book value

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Counselling - RCO Payment	522,430	-	522,430
Counselling - Schools	36,315	-	36,315
Counselling - Courses	(40)	-	(40)
Counselling - DWP	33,631	-	33,631
Counselling - Grocery Aid/BWC	46,148	-	46,148
Counselling - CCG Funding	30,500	-	30,500
Mediation - Client Fees	122,597	-	122,597
Mediation - LSC mediation contract	37,476	-	37,476
FIF Xtra grant funding	-	8,848	8,848
	-	-	-
	<u>829,057</u>	<u>8,848</u>	<u>837,905</u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Counselling - RCO Payment	578,570	-	578,570
Counselling - Schools	29,760	-	29,760
Counselling - Courses	914	-	914
Counselling - DWP	64,078	-	64,078
Counselling - Grocery Aid/BWC	36,848	-	36,848
Counselling - CCG Funding	12,200	-	12,200
Mediation - Client Fees	120,086	-	120,086
Mediation - LSC mediation contract	43,547	-	43,547
FIF Xtra grant funding	-	24,143	24,143
Coronavirus Job retention Scheme Grant	10,077	-	10,077
	<u>896,080</u>	<u>24,143</u>	<u>920,223</u>

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rental income	1,665	1,665	-

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from listed investments	5,685	5,685	4,955
Interest received	350	350	7
	<u>6,035</u>	<u>6,035</u>	<u>4,962</u>

6. Trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Charity shop expenditure	(156)	(156)	(1,303)

The retail operation ceased during 2019. Expenditure in 2023 was for the service charges and utilities of the retail property which could not be used for the other operations and rent refunded.

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Counselling	329,159	445,712	774,871
Mediation	117,675	72,803	190,478
	<u>446,834</u>	<u>518,515</u>	<u>965,349</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Counselling	331,175	429,442	760,617
Mediation	123,249	48,098	171,347
	<u>454,424</u>	<u>477,540</u>	<u>931,964</u>

Analysis of direct costs

	Counselling 2023 £	Mediation 2023 £	Total funds 2023 £
Practitioner Salaries	296,944	116,546	413,490
Recruitment & Training	5,520	480	6,000
Affiliation Fees	25,739	637	26,376
Marketing and Advertising	956	12	968
	<u>329,159</u>	<u>117,675</u>	<u>446,834</u>

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Counselling 2022 £</i>	<i>Mediation 2022 £</i>	<i>Total funds 2022 £</i>
Practitioner Salaries	298,704	121,248	419,952
Recruitment & Training	6,544	-	6,544
Affiliation Fees	23,751	1,054	24,805
Marketing and Advertising	2,176	947	3,123
	<u>331,175</u>	<u>123,249</u>	<u>454,424</u>

Analysis of support costs

	Counselling 2023 £	Mediation 2023 £	Total funds 2023 £
Premises	46,616	10,732	57,348
Support Staff Salaries	299,383	14,905	314,288
External Staff Costs	10,701	29,768	40,469
IT, Communications and Office Costs	41,501	9,579	51,080
Legal & Professional	13,176	3,965	17,141
Bank & RCO Charges	10,732	2,536	13,268
Other Staff Costs	4,664	1,318	5,982
Irrecoverable VAT	14,189	-	14,189
Governance costs	4,750	-	4,750
	<u>445,712</u>	<u>72,803</u>	<u>518,515</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Counselling 2022 £</i>	<i>Mediation 2022 £</i>	<i>Total funds 2022 £</i>
Premises	54,784	5,069	59,853
Staff Support Costs	256,171	4,820	260,991
External Staff Costs	7,306	28,103	35,409
IT, Communications and Office Costs	53,790	3,426	57,216
Legal & Professional	15,310	3,890	19,200
Bad Debt Write Off	696	-	696
Bank & RCO Charges	12,041	2,790	14,831
Other Staff Costs	14,458	-	14,458
Irrecoverable VAT	9,321	-	9,321
Governance costs	5,565	-	5,565
	<u>429,442</u>	<u>48,098</u>	<u>477,540</u>

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £3,300 (2022 - £2,950).

9. Staff costs

	2023 £	2022 £
Wages and salaries	677,691	636,002
Social security costs	34,453	33,836
Pension costs	14,153	13,766
	<u>726,297</u>	<u>683,604</u>

Included within wages and salaries are statutory redundancy payments totaling £6,654 (2022 - £Nil).

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2023 No.	<i>2022 No.</i>
Employee	62	62

No employee received remuneration amounting to more than £60,000 in either year.

The total employment benefits including employer pension contributions of the key management personnel were £201,075 (2022 - £169,528). The key management personnel of the Charity are the Chief Executive, Service Manager, Mediation Manager and the Finance Manager.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been reimbursed (2022 - £NIL).

11. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	500,000	48,374	73,438	621,812
Additions	-	-	3,581	3,581
At 31 March 2023	500,000	48,374	77,019	625,393
Depreciation				
At 1 April 2022	-	48,374	52,002	100,376
Charge for the year	-	-	6,143	6,143
At 31 March 2023	-	48,374	58,145	106,519
Net book value				
At 31 March 2023	500,000	-	18,874	518,874
At 31 March 2022	500,000	-	21,436	521,436

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	203,203
Revaluations	(7,689)
	<u>195,514</u>
At 31 March 2023	<u>195,514</u>
Net book value	
At 31 March 2023	195,514
At 31 March 2022	<u>203,203</u>

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	28,280	19,811
Prepayments and accrued income	253	2,644
	<u>28,533</u>	<u>22,455</u>

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	8,172	9,894
Other taxation and social security	16,408	38,486
Other creditors	4,349	1,125
Accruals and deferred income	37,012	12,088
	<u>65,941</u>	<u>61,593</u>

The charity has been in correspondence with HMRC with regard to historic VAT liabilities and the accounts represent the latest position.

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Salary fund	30,074	-	-	(30,074)	-	-
General funds						
General Funds	881,733	836,757	(946,748)	30,074	(7,689)	794,127
Total Unrestricted funds	911,807	836,757	(946,748)	-	(7,689)	794,127
Restricted funds						
FIF Xtra grant	10,179	8,848	(18,445)	-	-	582
Total of funds	921,986	845,605	(965,193)	-	(7,689)	794,709

RELATE NORTH EAST LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Statement of funds (continued)

Designated Fund

Salary fund - represents funds that have been earmarked for potential pay increases in effect from January 2022. However, in the year it was decided that this fund is no longer necessary and the funds were transferred back to general funds.

Restricted Funds

FIF Xtra grant fund - FIF Extra is additional support by Essex County Council (ECC) to help children, young people and their families affected by the COVID-19 pandemic.

Relate London North East & Essex offers this counselling services by referral from health professionals or by families calling RLNE & E themselves.

Family Innovation Fund-Xtra (FiF-Xtra) grant enables us to offer early support across a number of key areas including children's mental health, healthy relationships and coping with change. They are available to children and young people aged between 0 and 19-years, and up to 25-years for young people with Special Educational Needs and/or Disabilities (SEND).

The support we offer can be delivered one-on-one, through group work, as a family group, or as a couple, around understanding Coronavirus; managing and coping with change; separation and loss; managing and coping with anxiety; healthy family relationships and staying active and curious.

The services as stipulated in the grant agreement are aimed at helping young people and families who are not already receiving specialist or statutory support.

RELATE NORTH EAST LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds					
Designated funds					
Salary fund	40,000	-	(9,926)	-	30,074
General funds					
General Funds	866,611	901,042	(898,844)	12,924	881,733
Total Unrestricted funds	906,611	901,042	(908,770)	12,924	911,807
Restricted funds					
FIF Xtra grant	7,927	24,143	(21,891)	-	10,179
Total of funds	914,538	925,185	(930,661)	12,924	921,986

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	518,874	-	518,874
Fixed asset investments	195,514	-	195,514
Current assets	145,680	582	146,262
Creditors due within one year	(65,941)	-	(65,941)
Total	<u>794,127</u>	<u>582</u>	<u>794,709</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	521,436	-	521,436
Fixed asset investments	203,203	-	203,203
Current assets	248,761	10,179	258,940
Creditors due within one year	(61,593)	-	(61,593)
Total	<u>911,807</u>	<u>10,179</u>	<u>921,986</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(127,277)	7,448
Adjustments for:		
Depreciation charges	6,143	6,707
Gains/Losses on investments	7,689	(12,924)
Dividends, interests and rents from investments	(6,035)	(4,962)
Decrease/(increase) in debtors	(6,078)	11,004
(Decrease)/increase in creditors	1,682	(10,048)
Net cash used in operating activities	(123,876)	(2,775)

18. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	117,729	236,485
Total cash and cash equivalents	117,729	236,485

19. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	236,485	(118,756)	117,729
	236,485	(118,756)	117,729

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Operating lease commitments

At 31 March 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	<i>2022</i>
	£	£
Not later than 1 year	16,763	27,858
Later than 1 year and not later than 5 years	21,571	30,823
	<hr/> 38,334 <hr/>	<hr/> 58,681 <hr/>

21. Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 March 2023.